



MILLENNIUM CHALLENGE CORPORATION

[MCC FR 22-18]

Notice of Entering into a Compact with the Government of Benin

AGENCY: Millennium Challenge Corporation.

ACTION: Notice.

SUMMARY: In accordance with the provisions of the Millennium Challenge Act of 2003, as amended, the Millennium Challenge Corporation (MCC) is publishing a summary of the Millennium Challenge Compact (Compact) between the United States of America, acting through MCC, and the Government of Benin. Representatives of MCC and the Government of Benin executed the Compact on December 14, 2022. The complete text of the Compact has been posted at: <https://assets.mcc.gov/content/uploads/benin-concurrent-compact.pdf>

(Authority: 22 U.S.C. 7709 (b)(3))

Dated: December 15, 2022.

Thomas G. Hohenthanner,
Acting VP/General Counsel and Corporate Secretary.

SUMMARY OF BENIN CONCURRENT COMPACT

Overview of MCC Benin Compact

MCC's five-year, \$202,000,000 concurrent Compact with the Republic of Benin (Government) aims to further regional economic integration, increased regional trade, or cross-border collaboration with Niger. The Compact intends to reduce poverty through economic growth by addressing important market and institutional constraints along the transport corridor that connects Cotonou, Benin and Niamey, Niger (Corridor), enabling these countries to gain access to larger markets, attract increased private sector investment, and strengthen both intra-regional and global trade ties. The Compact will address these constraints through two projects that seek to achieve this goal by reducing transportation costs along the Corridor. The Government also will contribute approximately \$15,150,000 to support the Compact program.

Project Summaries

The Compact is comprised of two projects:

- 1. Corridor Infrastructure Project:** The objective of the Corridor Infrastructure Project is to reduce transportation costs along the Corridor with transportation costs including vehicle operating costs, time-related costs, and injuries and deaths. The Project includes two activities:

- **Road Rehabilitation Activity:** This activity aims to rehabilitate and upgrade approximately 83 km of road between the cities of Bohicon and Dassa with the potential to add complementary traffic mitigation components.
- **Road Maintenance Activity:** This activity aims to support the newly established *Société des Infrastructures Routières et de l'Aménagement du Territoire* to implement the annual road maintenance program developed by the Ministry of Infrastructure and Transport's *Direction Générale des Infrastructures de Transport*.

- 2. Efficient Corridor Operations Project:** The objective of the Efficient Corridor Operations Project is to reduce transportation costs along the Corridor including vehicle operating costs, time-related costs, injuries and deaths as well as costs related to unreliable processes and market inefficiencies. The Project includes two activities:
- **Freight Sector Operations Improvement Activity:** This activity aims to promote meaningful reforms intended to impact and improve the efficiency of truck freight sector operations by addressing axle load management, regulatory review and capacity building, freight vehicle regulation, and the organization and establishment of a corridor authority.
 - **Customs Border Operations Improvement Activity:** This activity aims to support improvements to the Beninese custom border operations at the Malanville-Gaya crossing between Benin and Niger in order to improve the fluidity of corridor operations.

Benin Compact Budget

The table below presents the Compact budget and sets forth both the MCC funding allocation by Compact components and the Government's expected \$15,150,000 contribution toward the objectives of the Compact.

Benin Compact Total Budget

Component	MCC Funding
1. Corridor Infrastructure Project	\$143,313,000
1.1 Road Rehabilitation Activity	\$139,113,000
1.2 Road Maintenance Activity	\$4,200,000
2. Efficient Corridor Operations Project	\$26,000,000
2.1 Freight Sector Operations Improvement Activity	\$20,555,000
2.2 Customs Border Operations Improvement Activity	\$5,445,000
3. Monitoring and Evaluation	\$1,500,000
4. Program Management and Administration	\$31,187,000

Total MCC Funding	\$202,000,000

Total Compact Funding	Amount
Total MCC Funding	\$202,000,000
Government of Benin Contribution	\$15,150,000
Total Compact	\$217,150,000

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